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Sewer project loan sought from state

By John Chaffee
The Patriot Ledger

DUXBURY — If the state provides a revolving fund loan, the town could save nearly \$300,000 in borrowing for the construction costs of two innovative septic disposal systems.

Duxbury

"State officials encouraged us to apply," said Kevin McDonald, director of inspectional services.

The projects, which will be bid on and built as one, are designed to solve Duxbury Bay pollution problems in the Snug Harbor area and near the mouth of the Bluefish River.

Robert Cady of the state Department of Environmental Protection said Duxbury could qualify for loan assistance on as much as \$500,000 of the estimated \$650,000 cost of the two projects.

That represents the cost of these parts of the two

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Sewer project loan from state would save thousands for town

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projects that are eligible for loan assistance — the collection and pumping systems.

The cost of two shared leaching fields, estimated to total \$150,000, is not eligible for state assistance.

The \$500,000 Snug Harbor project will connect 11 business properties to a common sewer line and the effluent will be pumped to a leaching field at the nearby Duxbury Yacht Club golf course.

The \$150,000 Bluefish River project will link three houses on either side of the Washington Street bridge to a common sewer line with the effluent pumped to the Ellison Center at the former Holy Family Church property.

Town meeting authorized borrow-

ing for the two projects in separate actions earlier this year.

According to Cady, if the town borrows \$500,000 at 5 percent over 20 years to build the two collection systems and is found eligible for a state revolving fund loan, "We will take the note over and make a new loan at at least half that interest rate."

The cost of borrowing \$500,000 at 5 percent on a 20-year note is \$291,946.90.

At 2.5 percent, interest payments would total \$135,883.52 — a saving of \$156,063.38.

However, Cady said, legislation now pending on Beacon Hill would make it possible for the state to issue interest-free loans for projects like the two in Duxbury, which could save the town the full \$291,946.90.

Duxbury's two shared systems

"probably are unique in the southeast," Cady said, and should provide an innovative model for communities seeking to solve septic disposal problems in the wake of the new Title V regulations.

Cady said Duxbury is competing with fewer than a dozen other towns in the southeast and an unknown number of communities throughout the state for loan assistance under the Water Pollution Abatement Trust, a funding authority financed by both the federal and state governments.

"We will be making announcements early next year," perhaps before the end of January, Cady said.

McDonald said bids on the two projects will be opened Jan. 25 and work should begin within 10 days of the awarding of a contract.